BOB F. ANDERSON, PE, INC.

PETROLEUM ENGINEERS & CONSULTANTS
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June 7, 2004

Honorable James H. Welsh, Commissioner of Conservation Office of Conservation P. O. Box 94275 Baton Rouge, LA 70804-4275

Re: APPLICATION FOR PUBLIC HEARING

Proposed Alternate Unit Wells Smackover C Zone, Reservoir B SMK C RB SUA North Shongaloo-Rock Field, Webster Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of CAMTERRA RESOURCES, INC., (Applicant), to the Commissioner of Conservation for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Smackover C Zone, Reservoir B, North Shongaloo-Red Rock Field, Webster Parish, Louisiana.

- 1. To permit the applicant to drill, designate and utilize two (2) alternate unit wells for the production of gas and condensate from the Smackover C Zone, Reservoir B, in the unit designated SMK C RB SUA, North Shongaloo-Red Rock Field, Webster Parish, Louisiana, one (1) of which is in exception to the spacing provisions of the 104-H-4 Series of Office of Conservation Orders, such wells and unit being shown on the attached plat and being made a part hereof.
- 2. To permit the unit operator to produce the assigned unit allowable from the unit well, the alternate unit wells or from a combination thereof at the discretion of the unit operator.
- 3. To find that additional alternate unit wells are needed on the SMK C RB SUA to assists in draining a portion of the unit that cannot be drained by any other well located therein.
- 4. To consider and cover such other matters as the Commissioner of Conservation may deem pertinent and appropriate.

The Smackover C Zone, Reservoir B, was defined in Office of Conservation Order No. 104-H-4, effective June 24, 1986.

Honorable James H. Welsh, Commissioner of Conservation North Shongaloo-Red Rock Field 2

The pertinent data pertaining to this application is available for inspection at the Offices of Bob F. Anderson, PE, Inc., 400 Travis Street, Suite 209, Shreveport, Louisiana 71101. Any person wishing to inspect such data should call Bob Anderson 318/425-4230 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data that is otherwise not available from the Office of Conservation can be obtained at the expense of the requesting party.

The subject matter of this hearing does not require a pre-application notice.

Pursuant to the revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Interested Parties and Represented Parties to whom this notice of this application is being sent. A copy of this letter and the attached plat is being sent to the District Manager of the Shreveport District Office of Conservation and to the Interested Owners, Represented Parties and the Interested Parties as shown on the attached list.

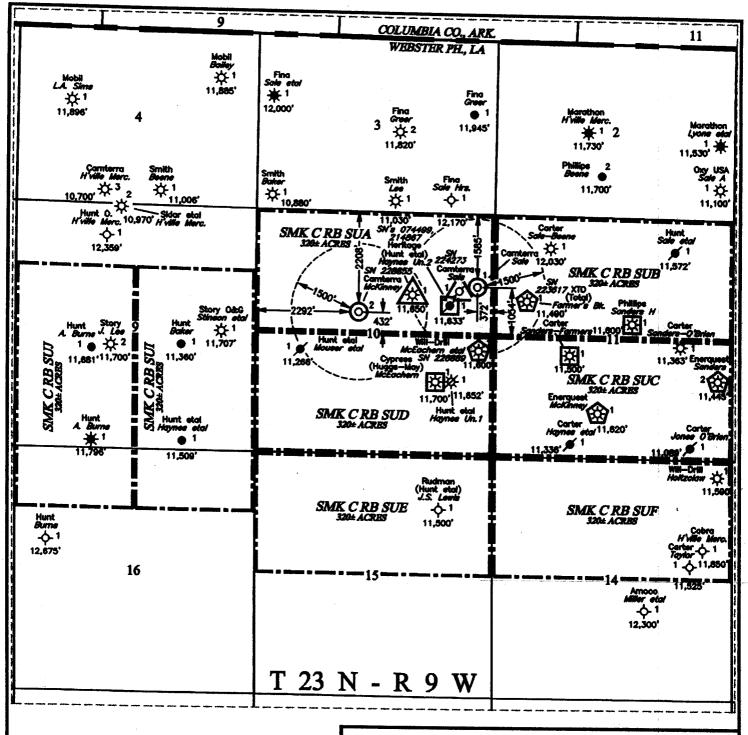
Attached hereto is our check, made payable to the Office of Conservation, to cover the applicable hearing fee.

Yours truly,

B. F. Anderson, PE for

CAMTERRA RESOURCES, INC.

cc: Mr. James Broussard, District Manager Shreveport District Office of Conservation Interested Owners, Represented Parties and Interested Parties Camterra Resources, Inc.



LEGEND



: SMACKOVER C

RESERVOIR B SAND UNITS



: PROPOSED SMK C RB SUA ALTERNATE UNIT WELLS



: SMACKOVER C RES B



UNIT WELLS



: SMACKOVER C RES B SUBSTITUTE UNIT WELLS



: SMACKOVER C RES B ALTERNATE UNIT WELLS

CAMTERRA RESOURCES, INC. MARSHALL, TEXAS

NORTH SHONGALOO - RED ROCK FIELD WEBSTER PARISH, LOUISIANA

PROPOSED ADDITIONAL ALTERNATE UNIT WELL AND ADDITIONAL ALTERNATE UNIT WELL AT EXCEPTIONAL LOCATION FOR SMK CRB SUA

ONLY WELLS > 10,000' TO SHOWN